

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:5951  
ANSWERED ON:31.08.2001  
FOREIGN INVESTMENT IN TOBACCO SECTOR  
JASWANT SINGH BISHNOI

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether the Government have allowed foreign investment in Tobacco industry;
- (b) if so, whether the Government are permitting the foreign companies to manufacture cigarettes in India;
- (c) if so, the reasons therefor;
- (d) whether aspect of ill-effects of tobacco on public health has been considered before encouraging the foreign countries to manufacture cigarettes; and
- (e) if so, the justifications behind encouraging the cigarette industry?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (e) Until 1998 FDI proposals in tobacco sector were considered as per the then prevalent policy. Subsequently, no proposal has been considered for FDI in tobacco sector, including manufacture of cigarettes.